

EXHIBIT

1

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

COUNTY OF AIKEN

Civil Action No. 2025-CP

NORTH AUGUSTA 102 SC, LLC AND
 KINGSLEY TOWNES SC, LLC DBA
 RIVERS EDGE APARTMENTS,

Plaintiff,

v.

ARCH SPECIALTY INSURANCE
 COMPANY,

Defendant.

SUMMONS

(Jury Trial Demanded)

TO: THE ABOVE-NAMED DEFENDANT – ARCH SPECIALTY INSURANCE
 COMPANY

YOU ARE HEREBY SUMMONED and required to answer the Complaint
 contained herein, a copy of which is herewith served upon you, and to serve a copy of your Answer
 to this Complaint upon the subscriber, at the address shown below, within thirty (30) days after
 service hereof, exclusive of the day of such service, and if you fail to answer the Complaint,
 judgment by default will be rendered against you for the relief demanded in the Complaint.

Respectfully submitted,

HOWARD STALLINGS LAW FIRMBy: /s/Brooke E. Webber

Brooke E. Webber (State Bar No. 56619)

5410 Trinity Road, Suite 210

Raleigh, North Carolina 27607

Telephone: (919) 821-7700

E: bwebber@howardstallings.com*Attorney for Plaintiff*

HOWARD STALLINGS LAW FIRM
Attorneys at Law**Raleigh, North Carolina**

STATE OF SOUTH CAROLINA

IN THE COURT OF COMMON PLEAS

SECOND JUDICIAL DISTRICT

COUNTY OF AIKEN

Civil Action No. 2025-CP

NORTH AUGUSTA 102 SC, LLC; and
 KINGSLEY TOWNES SC, LLC (D/B/A
 RIVERS EDGE APARTMENTS),

Plaintiffs,

v.

ARCH SPECIALTY INSURANCE
 COMPANY,

Defendant.

COMPLAINT
(JURY TRIAL DEMANDED)

NOW COME Plaintiffs, North Augusta 102 SC, LLC and Kingsley Townes SC, LLC (D/B/A Rivers Edge Apartments), by and through undersigned counsel, complaining of Defendant Arch Specialty Insurance Company (“Defendant”), by alleging and saying as follows:

PARTIES, JURISDICTION, AND VENUE

1. North Augusta 102 SC, LLC and Kingsley Townes SC, LLC (D/B/A Rivers Edge Apartments) (“Plaintiffs” or “Rivers Edge”) are South Carolina limited liability companies and owners/operators of the Rivers Edge Apartments located in North Augusta, Aiken County, South Carolina.

2. Defendant is a Missouri corporation authorized to act as an insurance company in the State of South Carolina. At all times relevant to this Complaint, Defendant regularly engaged in writing insurance policies and adjusting claims thereunder in the State of South Carolina, including Aiken County.

HOWARD STALLINGS LAW FIRM
 Attorneys at Law
 Raleigh, North Carolina

3. This Court has jurisdiction over the parties and the subject matter of this action, including through S.C. Code. Ann. §36-2-802 and Rule 4 of the South Carolina Rules of Civil Procedure.

4. Venue in this Court is proper pursuant to S.C. Code Ann. § 15-7-30.

SUBSTANTIVE ALLEGATIONS

5. Rivers Edge is an apartment complex in Aiken County, South Carolina that consists of numerous multi-family structures and a separate office building (hereinafter the “Property”).

6. Plaintiffs purchased commercial property insurance for the Property from Defendant under policy number NHPKG0040200, effective from September 30, 2021 to September 30, 2022, in an aggregate amount in excess of \$8,000,000.00 (hereinafter the “Policy”). Due to the size of the Policy, upon information and belief, Defendant performed property condition assessments in the underwriting of the Policy, and in so doing confirmed that the Property, inclusive of its roofs, sidings, soft metals, windows and doors, were in good condition and were acceptable to insure.

7. Plaintiffs paid all premiums due to Defendant in exchange for the insurance coverage detailed in the Policy, which included coverage for damage caused by wind and hail.

8. On or about May 6, 2022, wind-driven hail, in the approximate size of 2 inches in diameter (“the size of chicken eggs”) pounded the Property. Logically, the wind and hail during the storm caused significant physical damage to the Property, including but not limited to its roofs, sidings, soft metals, windows and doors, which amounts to a multi-million dollar injury to Plaintiffs (hereinafter the “Loss”).

9. The Policy was in effect at the time of the Loss, and the Loss is fully compensable under the terms of the Policy.

10. Plaintiffs timely notified Defendant of the Loss and made a claim under the Policy that was assigned Claim Number AB229393 (hereinafter the “Claim”).

11. Nevertheless, despite having clear coverage obligations under the Policy, Defendant has failed and refused to make any payment to Plaintiffs for the Claim or Loss. As a result, Plaintiffs suffered damages.

FOR A FIRST CAUSE OF ACTION
(Breach of Contract)

12. Plaintiffs incorporate by reference all preceding paragraphs as if fully set forth herein.

13. The Policy is and was a valid and enforceable contract between Plaintiffs and Defendant.

14. Defendant is in material breach of the Policy due to its non-payment of the Claim and failure to make any payment for the Loss.

15. As a direct and proximate result of Defendant’s breach of contract, Plaintiffs have suffered and continue to suffer substantial damages, including but not limited to the cost of repair or replacement of the damaged Property, consequential damages, incidental damages, attorneys’ fees, and other actual losses.

16. Plaintiffs are entitled to judgment against Defendant in an amount to be determined by the trier of fact, together with pre-judgment interest, costs, and any further relief this Court deems just and proper.

WHEREFORE, Plaintiffs respectfully pray the Court enter judgment in their favor and against Defendant as follows:

1. That the Court enter an order requiring Defendant’s performance pursuant to the Policy;

HOWARD STALLINGS LAW FIRM
Attorneys at Law
Raleigh, North Carolina

2. That Plaintiffs have and recover against Defendant a sum equal to the amount of the contractual benefits due under the Policy, as well as all consequential, incidental, actual, and other damages to be proven at trial;
3. That the Court tax prejudgment interest on the award and post judgment interest on the entire judgment as permitted by law;
4. That Plaintiffs have a trial by jury on all issues so triable; and
5. For such other and further relief as this Court deems just and proper.

This the 24th day of April, 2025

HOWARD STALLINGS LAW FIRM

By: /s/Brooke E. Webber
Brooke E. Webber (State Bar No. 106810)
5410 Trinity Road, Suite 210
Raleigh, North Carolina 27607
Telephone: (919) 821-7700
bwebber@howardstallings.com
Attorney for Plaintiff

Anticipated to be Admitted Pro Hac Vice:

Robert H. Jessup (N.C. State Bar No. 42945)
Howard Stallings Law Firm
5410 Trinity Road, Suite 210
Raleigh, North Carolina 27607
Telephone: (919) 821-7700
rjessup@hsfh.com

Rebecca H. Ugolick (N.C. State Bar No.: 48126)
Howard Stallings Law Firm
5410 Trinity Road, Suite 210
Raleigh, North Carolina 27607
Telephone: (919) 821-7700
rugolick@howardstallings.com

STATE OF SOUTH CAROLINA,)
)
 COUNTY OF AIKEN)
 NORTH AUGUSTA 102 SC, LLC and)
 KINGSLEY TOWNES SC, LLC DBA)
RIVERS EDGE APARTMENTS)
 Plaintiff(s))
 vs.)
 ARCH SPECIALTY INSURANCE)
COMPANY)
 Defendant(s).)

IN THE ☐ FAMILY COURT
☒ COURT OF COMMON PLEAS
☐ MAGISTRATE COURT

SECOND JUDICIAL CIRCUIT

AFFIDAVIT OF SERVICE

FILE NO: 2025CP0201097

PERSONALLY PREPARED BEFORE ME, the undersigned deponent, who being duly sworn

says that (s)he served the Complaint and Summons in this action
 (Describe document(s) served)

on Arch Specialty Insurance Company by delivery to
 (Name of party served)

☒ South Carolina Department of Insurance personally;
 (Name of party served)

☒ Michael Wise, the Agency Director of the party served,
 (Name of person served) (Note relationship to party)

and a person of discretion residing at the residence of the party served;

☐ _____, the _____ of _____
 (Name of person served) (Title) (Name of corporate party served)

and leaving with ☒ (him) ☐ (her) a copy at 1201 Main Street, Suite 1000
 (Street address)

in Columbia Richland County, South Carolina,
 (City or Town) County

on April 29, 2025

that deponent knows the person so served, and that deponent is not a party of this action, is not less than
 eighteen (18) years of age and has no interest therein or connection therewith.

☐ Unable to locate and serve the above process on the defendant after diligent efforts to do so.

The process is returned unexecuted.

Sworn to and Subscribed before me
 this 19th day of May, 2025.

Melissa Turner
 Notary Public for North Carolina

My Commission expires 11/21/2028

Signature of Deponent



Entered in the Sheriff's Service Book on _____
 Book _____ Page _____ Number _____



South Carolina
Department of Insurance

Capitol Center
1201 Main Street, Suite 1000
Columbia, South Carolina 29201

HENRY McMASTER
Governor

MICHAEL WISE
Director

Mailing Address:
P.O. Box 100105, Columbia, S.C. 29202-3105

April 29, 2025

CERTIFIED MAIL
RETURN RECEIPT REQUESTED
ARCH SPECIALTY INSURANCE COMPANY
c/o Corporation Service Company
508 Meeting Street
West Columbia, SC 29169

Dear Sir:

On April 29, 2025, I accepted service of the attached Summons and Complaint on your behalf. I am, hereby, forwarding that accepted process on to you pursuant to the provisions of S.C. Code Ann. § 38-45-170. By forwarding accepted process on to you, I am meeting a ministerial duty imposed upon me by S.C. Code Ann. § 15-9-270. I am not a party to this case. The State of South Carolina Department of Insurance is not a party to this case. It is important for you to realize that service was effected upon your insurer on my date of acceptance for service.

You must promptly acknowledge in writing your receipt of this accepted process to hsmith@doi.sc.gov. When replying, please refer to File Number 203657, North Augusta 102 SC, LLC, et al. v. ARCH SPECIALTY INSURANCE COMPANY, et al., 2025-CP-02-01097.

By:


Anthony Ibarra
Associate General Counsel
(803)737-6039

Sincerely Yours,

Michael Wise
Director
State of South Carolina
Department of Insurance

Attachment

CC: Brooke E. Webber Esq.
5410 Trinity Road
Suite 210
Raleigh, NC 27607

STATE OF SOUTH CAROLINA,)
)
 COUNTY OF AIKEN)
 NORTH AUGUSTA 102 SC, LLC and)
 KINGSLEY TOWNES SC, LLC DBA)
RIVERS EDGE APARTMENTS)
 Plaintiff(s))
 vs.)
 ARCH SPECIALTY INSURANCE)
COMPANY)
 Defendant(s).)

IN THE ☐ FAMILY COURT
☒ COURT OF COMMON PLEAS
☐ MAGISTRATE COURT

SECOND JUDICIAL CIRCUIT

AFFIDAVIT OF SERVICE

FILE NO: 2025CP0201097

PERSONALLY PREPARED BEFORE ME, the undersigned deponent, who being duly sworn

says that (s)he served the Complaint and Summons in this action
 (Describe document(s) served)

on Arch Specialty Insurance Company by delivery to
 (Name of party served)

☒ General Counsel personally;
 (Name of party served)

☐ , the of the party served,
 (Name of person served) (Note relationship to party)

and a person of discretion residing at the residence of the party served;

☐ , the of
 (Name of person served) (Title) (Name of corporate party served)

and leaving with ☒ (him) ☐ (her) a copy at Harborside 3210 Hudson Street, Suite 300
 (Street address)

in Jersey City Hudson County, New Jersey,
 (City or Town) County

on May 3, 2025

that deponent knows the person so served, and that deponent is not a party of this action, is not less than
 eighteen (18) years of age and has no interest therein or connection therewith.

☐ Unable to locate and serve the above process on the defendant after diligent efforts to do so.

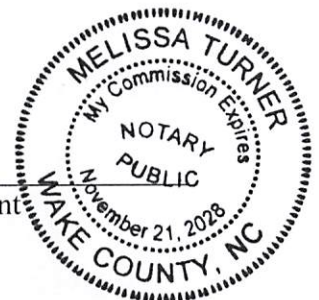
The process is returned unexecuted.

Sworn to and Subscribed before me)
 this 19th day of May, 2025.)

Melissa Turner)
 Notary Public for North Carolina)

My Commission expires 11/21/2028)

BM
 Signature of Deponent



Entered in the Sheriff's Service Book on _____
 Book _____ Page _____ Number _____

Product Tracking & Reporting

[Home](#)[Search](#)[Reports](#)[Manual Entry](#)[Rates/
Commitments](#)[PTR / EDW](#)[Customer
Information](#)

May 19, 2025

USPS Tracking Intranet

Delivery Signature and Address

Tracking Number: 9589 0710 5270 2433 7378 40

This item was delivered on 05/03/2025 at 12:05:00

[Return to Tracking Number View](#)

Signature	Signature	
	Printed Name	Vito Prezioso
Address	Delivery Address	Arch Insurance Group Inc

Enter up to 35 items separated by commas.

Select Search Type:

Quick Search

Product Tracking & Reporting, All Rights Reserved
Version: 25.3.2-d4f171fb

SENDER: COMPLETE THIS SECTION

- Complete items 1, 2, and 3.
- Print your name and address on the reverse so that we can return the card to you.
- Attach this card to the back of the mailpiece, or on the front if space permits.

1. Article Addressed to:

General Counsel
 Arch Specialty Insurance Company
 Harborside 3 210 Hudson St., Ste. 300
 Jersey City, NJ 07311-1107



9590 9402 9154 4225 7570 30

2. Article Number (Transfer from service label)

9589 0710 5270 2433 7378 40

COMPLETE THIS SECTION ON DELIVERY**A. Signature**

X

☐ Agent

☐ Addressee

B. Received by (Printed Name)**C. Date of Delivery**

5/5/25

D. Is delivery address different from item 1? If YES, enter delivery address below:

☐ Yes

☐ No

3. Service Type

☒ Adult Signature

☐ Adult Signature Restricted Delivery

☐ Certified Mail®

☐ Certified Mail Restricted Delivery

☐ Collect on Delivery

☐ Collect on Delivery Restricted Delivery

☐ Priority Mail Express®

☐ Registered Mail™

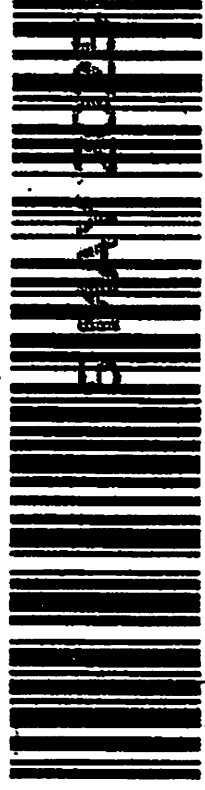
☐ Registered Mail Restricted Delivery

☐ Signature Confirmation™

☐ Signature Confirmation Restricted Delivery

Restricted Delivery

USPS TRACKING# DANIELS NJ 070



PM 3

First-Class Mail
Postage & Fees Paid
USPS
Permit No. G-18

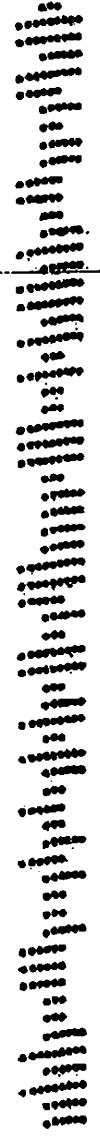
9590 9402 9154 4225 7570 30

United States
Postal Service

• Sender: Please print your name, address, and ZIP+4® in this box•

Melissa Turner, NCCP
The Howard Stallings Law Firm
P.O. Box 12347
Raleigh, NC 27605

Revers Edge



USPS Tracking®

[FAQs >](#)

Tracking Number:

[Remove X](#)**9589071052702433737840**[Copy](#)[Add to Informed Delivery \(https://informedelivery.usps.com/\)](https://informedelivery.usps.com/)

Latest Update

Your item has been delivered and is available at a PO Box at 12:05 pm on May 3, 2025 in JERSEY CITY, NJ 07302.

[Get More Out of USPS Tracking:](#)[USPS Tracking Plus®](#)

Delivered

Delivered, PO Box

JERSEY CITY, NJ 07302

May 3, 2025, 12:05 pm

[See All Tracking History](#)[Feedback](#)[What Do USPS Tracking Statuses Mean? \(https://faq.usps.com/s/article/Where-is-my-package\)](https://faq.usps.com/s/article/Where-is-my-package)[Text & Email Updates](#)[USPS Tracking Plus®](#)[Product Information](#)[See Less ^](#)[Track Another Package](#)

1:25-cv-04667-SAL
Enter tracking or barcode numbers

Date Filed 05/29/25

Entry Number 1-1

Page 14 of 14

Need More Help?

Contact USPS Tracking support for further assistance.

FAQs